STAT Sanitized Copy Approved for Release 2010/07/14: CIA-RDP91-00587R000200880041-1 ASSOCIATED PRESS 7 August 1986 CIA DEFECTOR SAID TO SERIOUSLY DAMAGE U.S. INTELLIGENCE BY MICHAEL J. SNIFFEN WASHINGTON STAT Former CIA agent Edward Howard's defection did "serious damage" to U.S. spying in the Soviet Union, Sen. Patrick Leahy, vice chairman of the Senate Intelligence Committee, said Thursday. Asked about a published report that Howard "wiped out the (CIA's) Moscow station," a senior U.S. intelligence official, requesting anonymity, replied: "Maybe it would be good for the Soviets to believe that. "Howard had been trained to become a clandestine CIA agent in Moscow posing as a U.S. Embassy budget officer. But he was fired in June 1983 before beginning that job, because a polygraph test suggested he had used illegal drugs and engaged in petty theft. The FBI was put on Howard's trail last fall by Soviet KGB defector Vitaly Yurchenko, who himself returned to the Soviet Union last year. Last September, Howard, then a budget analyst for the New Mexico legislature, eluded FBI agents watching his house, days before he was charged with selling secrets to the Soviets in Austria in 1984 for \$6,000.

Last October, U.S. sources said he had been spotted in Finland and was presumed to have gone to the Soviet Union.

U.S. intelligence officials were quick to point out that, as one put it, Howard, 34, "was the first ex- CIA official that's ever wound up in Moscow. Scores have come the other way. "Speaking to reporters in the Capitol, Leahy, D-Vt., said, "Whenever the (Soviet) KGB (spy agency) has had someone defect to the United States, it has caused damage to the Soviet Union, so it's only logical to assume that when we have a defector it damages the United States.

"You just have to assume it's serious damage, but I don't think the extent of the damage will ever be made public. Nor should it be. " Leahy said. "I would hope nobody in the administration or Congress spells out a long laundry list of exactly what this means," because that could "confirm things the Soviets only suspect and tell them things they don't know. "Noting that Howard's defection had now been reported by the Soviet newspaper Izvestia, assistant FBI director

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William Baker said, "We certainly give a lot of credence to the Soviets' public remarks. We have no reason to believe they are untrue." He declined to discuss the damage Howard had done.

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CIA spokeswoman Kathy Pherson also would not comment on the Moscow report.

A senior U.S. intelligence official said, "Anything we say is just going to help Moscow, and we're not going to do that."Last year, U.S. sources said the CIA had lost contact with a Soviet citizen in Moscow who had long provided valuable information about high-technology electronics and aviation research.

Other published reports suggested that Howard had known the method by which the CIA contacted this spy and others working for the United States inside the Soviet Union.

One published report said that since Howard's work for the Soviets became public, five U.S. intelligence officers in the Soviet Union had been caught by Soviet authorities while on spying errands and expelled from the country. Three expulsions of U.S. diplomats were publicly reported by the U.S. government during that period.

Leahy said, "Both the CIA and the FBI realize there were problems in handling this case and steps have been taken by (CIA Director William) Casey and (FBI Director William) Webster to correct them and not sweep them under the rug. "The government has acknowledged that a year after he left the CIA, still angry over his dismissal, Howard told former agency co-workers that he had contemplated entering the Soviet Embassy in Washington and telling what he knew. This information was not given to the FBI for more than a year.

Leahy said he expected the Soviets "will do a great deal to show him living well and to trumpet him. I expect to see him brought out a lot to make all kinds of statements. I caution you to take them with a grain of salt. They will try to make it a very big event to to try to get others to defect. "The senator said the timing of the Soviet announcement about Howard may have been designed to deflect attention on the defection to the United States on Monday of two tightrope walkers with the Moscow Circus.

Leahy said there was no way to absolutely halt defections, but he said they might be limited if U.S. intelligence agencies would "do a better job of ongoing screening and ongoing checks of people with access to classified information. "The CIA's Casey conceded recently that every U.S. intelligence agency is years behind schedule in reinvestigating its employees for security risks. A congressional source said that since the spate of spy cases last year, U.S. agencies were "giving greater emphasis to rechecking the employees they've already hired."